

Senate Study Bill 1312

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CO=CHAIRPERSON ZIEMAN)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for an exemption from sales and use taxes for
2 specific items used in livestock and plant production,
3 providing a refund, and including effective and retroactive
4 applicability date provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 3621SC 81
7 mg/cf/24

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1 1 Section 1. Section 423.3, subsection 11, unnumbered
2 paragraph 1, Code 2005, is amended to read as follows:
3 The sales price exclusive of services of farm machinery and
4 equipment, including auxiliary attachments which improve the
5 performance, safety, operation, or efficiency of the machinery
6 and equipment, and including auger systems, curtains and
7 curtain systems, drip systems, fans, shutters, refrigerators,
8 and washing machines and dryers, and replacement parts, if all
9 of the following conditions are met:

1 10 Sec. 2. REFUNDS. Refunds of taxes, interest, or penalties
1 11 which arise from claims resulting from the amendment of
1 12 section 423.2, subsection 11, in this Act, for the exemption
1 13 of sales of auger systems, curtains and curtain systems, drip
1 14 systems, fans, shutters, refrigerators, and washing machines
1 15 and dryers occurring between January 1, 1992, and the
1 16 effective date of this Act, shall be limited to twenty-five
1 17 thousand dollars in the aggregate and shall not be allowed
1 18 unless refund claims are filed prior to October 1, 2005,
1 19 notwithstanding any other provision of law. If the amount of
1 20 claims totals more than twenty-five thousand dollars in the
1 21 aggregate, the department of revenue shall prorate the twenty-
1 22 five thousand dollars among all claimants in relation to the
1 23 amounts of the claimants' valid claims. Claimants shall not
1 24 be entitled to interest on any refunds.

1 25 Sec. 3. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY
1 26 PROVISION. This Act, being deemed of immediate importance,
1 27 takes effect upon enactment and applies retroactively to
1 28 January 1, 1992.

EXPLANATION

1 30 This bill adds to the exemption from the sales and use
1 31 taxes of the sales of farm machinery and equipment to include
1 32 auger systems, curtains and curtain systems, drip systems,
1 33 fans, shutters, refrigerators, and washing machines and
1 34 dryers. The exemption of these additional items is
1 35 retroactive to sales occurring on or after January 1, 1992.
2 1 Because of the retroactivity, a provision for refund of taxes,
2 2 interest, and penalties is included in the bill. However, the
2 3 claims for refunds are limited to \$25,000 in the aggregate,
2 4 and claims must be filed by October 1, 2005.
2 5 The bill takes effect upon enactment and applies
2 6 retroactively to January 1, 1992.
2 7 LSB 3621SC 81
2 8 mg:rj/cf/24